

## REMARKS

At present, all of claims 1-19 are rejected under 35 U.S.C. §103(a) as being unpatentable over Jones in view of Bierwirth. Claims 20-26 are restricted. For one or more of the following reasons, Applicant submits that the claimed invention is patentably distinct from Jones and Bierwirth, either alone or in combination.

### Restriction Requirement

Claims 20-26 are restricted as being directed to “an invention that is independent or distinct from the invention originally claimed.” Applicant respectfully traverses this restriction and requests reconsideration.

37 CFR § 1.145 states: “If, after an office action on an application, the applicant presents claims directed to an invention distinct from and independent of the invention previously claimed, the applicant will be required to restrict the claims to the invention previously claimed....” Thus, new claims must be distinct and independent from the invention originally claimed, not merely distinct or independent as asserted in the Office Action.

Restricted Claims 20-24 are each dependent on either original Claim 1, 8 or 14. Thus, Claims 20-24 are not independent from the originally claimed invention and do not meet the requirement for restriction. Further, Applicant respectfully asserts that Claim 25 is not sufficiently distinct from original Claim 1 to meet the requirement for restriction as three of the four steps of Claim 25 are very similar to three of the steps of Claim 1.

### Rejection Under 35 USC § 103(a)

The presently claimed invention is a method, system, and storage medium for evaluating a financial plan that uses actual historical investment results, but from randomly-selected historical time intervals. The claimed invention essentially breaks a financial plan of a particular length into many different time intervals and then calculates the change in investment value for each different interval based on a different randomly-selected historical interval, with each calculation building on the result of the prior calculation, to arrive at a final portfolio value over the entire length of the financial plan.

Specifically with respect to each independent claim, the claimed invention calculates the

change in the initial investment value based on the historical financial performance during a historical time interval from the historical data. Investments and/or withdrawals that are planned to occur during the first year of the plan may be included in this calculation. The claimed invention then takes the resulting changed value and calculates the change in that changed value based on the historical financial performance of a different, randomly-selected historical time period from the historical data. Again, investments and/or withdrawals that are planned to occur during the second year of the plan may be included in this calculation. The claimed invention may then take this resulting changed value and calculate the change in that changed value based on the historical financial performance of another different, randomly-selected historical time period from the historical data. This may continue for as many time intervals as exist in the length of the financial plan.

Importantly, the claimed invention uses the data from many different randomly-selected historical time intervals to determine a cumulative value of the portfolio. In other words, each calculation of portfolio performance over a particular randomly-selected historical time period builds upon the previous calculation of portfolio performance over the previously-selected random historical time periods. Thus, actual historical data is used to create performance scenarios that, taken as a whole, provide different results (many different results, as discussed below) than is possible if using only consecutive historical data (such as the method taught by Bierwirth).

For example, a financial plan to be evaluated may have a total plan interval of forty years. Eighty years of historical data (e.g., 1927-2006) may be available, for example, showing how particular investments performed in the past (such data may be available in annual, quarterly, monthly, or daily increments—annual data will be presumed for purposes of this example). In this example, the claimed invention may calculate the change in the initial investment value based on the historical financial performance of 1954 (i.e., a historical time interval from the historical data of 1927-2006), thus giving one possible performance result for the first year of the financial plan. The claimed invention may then take the resulting changed value (i.e., the first year results) and calculate the change in that changed value based on the historical financial performance of 1928 (i.e., a randomly-selected historical time period from the historical data of 1927-2006), thus giving one possible performance result for the first two years of the financial

plan. The claimed invention may then take the resulting changed value (i.e., the cumulative first and second year results) and calculate the change in that changed value based on the historical financial performance of 1992 (i.e., another randomly-selected historical time period from the historical data of 1927-2006), thus giving one possible performance result for the first three years of the financial plan. This would continue (in this example) for a total of forty times (corresponding to the total plan length) based on forty randomly-selected years of historical data.

In contrast to the claimed invention, neither Jones nor Bierwirth discloses the use of data from randomly-selected historical time periods to determine the cumulative effect on a portfolio. Jones does not use historical data at all. Rather, Jones uses “estimated future scenarios of one or more economic factors” to determine possible financial returns (Col. 2, lines 51-54).

Bierwirth uses historical data to analyze how a financial plan would have fared over a 26 year retirement during different, consecutive historical time intervals. That is, Bierwirth calculated 26 different, non-cumulative results. Bierwirth illustrates the use of 77 years of historical data (1926-1992) to run 42 different test scenarios. Each scenario uses data from 26 consecutive years, beginning with the consecutive years 1926-1951 for the first test scenario and ending with the consecutive years 1967-1992 for the last test scenario (see p. 2, line 53 – p.3, line 9). Each of these 42 scenarios is separate and non-cumulative (see p. 3, lines 13-38, describing how a different data point (income figure) is determined for each of the 42 consecutive time periods (“Essentially, the actual experiences of 42 past retirees have been gathered for analysis.”)), and is based solely on a respective different 26 year consecutive historical time period.

Even though the Office Action asserts that Bierwirth discloses the use of data from randomly-selected historical time periods, the Office Action seems to recognize that Bierwirth in fact does not disclose the use of data from randomly-selected historical time periods. To make up for this deficiency in Bierwirth, the Office Action states without support that random selection of data is well known in the modeling arts. The Office Action denies relying on Official Notice that random selection of data is well known in data modeling. However, Applicant respectfully asserts that the Office Action must be relying on Official Notice, as no reference is cited that discloses the use of data from randomly-selected historical time periods to evaluate a financial plan.

Relying on this assertion that random selection of data is well known in the modeling arts as the basis for rejecting the claimed invention as obvious (which the Office Action must do because neither Jones nor Bierwirth disclose, teach or suggest the use of data from randomly-selected historical time periods to evaluate a financial plan) is problematic for several reasons.

Office Action Fails to Properly Resolve the Level of Ordinary Skill in the Art

The Office Action fails to resolve the level of ordinary skill in the pertinent art, as required by *Graham v. John Deere*, 383 U.S. 1, 148 USPQ 459 (1966). Applicant urges the Examiner to consider the attached Supplemental Declaration (attached as Appendix A) which describes the characteristics and common knowledge of one skilled in the art of evaluating financial plans. As detailed in the Supplemental Declaration, one skilled in the art of evaluating financial plans would typically be a securities broker or a certified financial planner (CFP). A broker or CFP may or may not even have a college degree (see The Education Requirement, Guide to CFP Certification, attached as Appendix B, for general requirements; see The Education Requirement: Bachelor's Degree Requirement, Guide to CFP Certification, attached as Appendix C, which indicates that a Bachelor's degree in any discipline will be required to attain CFP certification beginning in 2007). Applicant respectfully requests that the Examiner resolve the level of ordinary skill in the pertinent art, i.e., the art of evaluating financial plans.

Not Known to Use Random Selection of Historical Data in Art of Evaluating Financial Plans

The Applicant traverses the implication in the Official Notice taken in the Office Action that random data selection is common knowledge in the art of evaluating financial plans. That such use of random data selection is known to someone skilled in the art of data modeling does not support the implied assertion that random data selection is common knowledge in the art of evaluating financial plans. Again, Applicant urges the Examiner to consider the attached Supplemental Declaration (attached as Appendix A) which describes the characteristics and common knowledge of one skilled in the art of evaluating financial plans. As can be seen from the Supplemental Declaration and the attached documents regarding CFP education requirements, one skilled in the art of evaluating financial plans would not have knowledge or experience in as sophisticated a discipline as data modeling. Thus, random data selection cannot

be said to be common knowledge in the art to which the claimed invention pertains. The Applicant respectfully requests that the Examiner provide adequate evidence to support this assertion, as required by MPEP 2144.03. “It is never appropriate to rely solely on ‘common knowledge’ in the art without evidentiary support in the record, as the principal evidence upon which a rejection was based” (MPEP 2144.03A, citing *In re Zurko*, 258 F.3d 1379, 1385 (Fed. Cir., 2001)). As neither Jones nor Bierwirth disclose, teach or suggest the use of data from randomly-selected historical time periods to evaluate a financial plan, the Office Action is relying on this assertion of what is common knowledge in the art as the principal evidence to reject the pending claims.

While the use of a random selection of data may be known in the field of data modeling as asserted by the Office Action, random historical data selection is not used in the financial planning industry and the use of random historical data selection would not be obvious to one skilled in the art of evaluating financial plans. Known methods of evaluating financial plans use either constant rates of return and inflation (see Bierwirth p.1) or actual historical data (see Bierwirth generally). Applicant urges the Examiner to consider the attached Supplemental Declaration (attached as Appendix A) which asserts that randomly selecting historical data would not be known to one skilled in the art of evaluating financial plans.

#### No Motivation to Combine

Even if random selection of data is well known in the modeling arts, as asserted by the Office Action, the Office Action does not provide a convincing reason for modifying the references cited by the Office Action in the manner suggested by the Office Action (i.e., by using randomly-selected data) except to arrive at Applicant’s specifically defined construction, taught only by Applicant’s disclosure. The Office Action states that “Bierwirth describes problems with unrealistic assumptions of traditional financial plans...and describes the solution to this problem as using the historical investment experience of others....” (emphasis added). Thus, Bierwirth discloses the solution to the problem he describes, and he stresses the importance of using actual (i.e., consecutive) historical data in his solution. There is no indication in Bierwirth of any shortcoming of his solution or of any additional problem to be solved. Thus, one skilled in the art would not be motivated to modify Bierwirth’s solution.

The Office Action states that “an invention is likely obvious if a person of ordinary skill in the art can implement a predictable variation, and would see the benefit of doing so.”

Applicant respectfully asserts that the modification of Bierwirth suggested by the Office Action is not a predictable variation that a person of ordinary skill in the art could implement, nor would such a person of ordinary skill see the benefit of doing so. As supported in the attached Supplemental Declaration, the use of data from randomly-selected historical time intervals is not used in the financial planning industry and would not be obvious to one skilled in the art of evaluating financial plans. Thus, the suggested modification of Bierwirth cannot be considered a predictable variation for one skilled in the art of evaluating financial plans, as one skilled in the art would not consider such a variation.

Even if it were known to one skilled in the art of evaluating financial plans to use random historical data selection (see the above arguments as to why such random data selection is not known to one skilled in the art of evaluating financial plans), it would not be obvious to combine the system of Bierwirth with the random selection of historical data. This is because Bierwirth teaches away from using random data selection. Bierwirth discusses how beneficial it is to use “the actual experiences of others” (Bierwirth, p.6). This reliance in Bierwirth on “the actual experiences of others” in fact teaches away from the random selection of data as recited in the claimed invention. Randomly selecting historical data would not provide the “actual experiences of others” deemed by Bierwirth to be so important. In contrast, the plan scenarios provided by the claimed invention are hypothetical scenarios (except in the exceedingly remote circumstance that the order of the randomly-selected data precisely matches the actual order of the historical data), and do not reflect the “actual experiences of others.” Thus, in light of the emphasis Bierwirth places on actual, consecutive historical data, one skilled in the art would not view Bierwirth and be motivated to use randomly-selected (and therefore not reflective of actual experiences of others) historical data.

#### Supplemental Declaration

Applicant submits the attached Supplemental Declaration (attached as Appendix A) in support of the patentability of the invention claimed in the present application. The Office Action asserts that the previously submitted Declaration (dated November 16, 2006) referred only to the

system described in the present application and not to the individual claims of the application. The attached Supplemental Declaration explicitly refers to independent Claims 1, 8, 14 and 25 of the present application. As such, Applicant respectfully asserts that the attached Supplemental Declaration provides objective evidence of non-obviousness that is commensurate in scope with the claims.

The Office Action also asserts that the facts presented in the previously submitted declaration are not germane to the rejection at issue. Applicant respectfully disagrees with this assertion. Both the previously submitted Declaration and the attached Supplemental Declaration present evidence as to the level of ordinary skill in the art of evaluating financial plans. This evidence is germane to the requirement to resolve the level of ordinary skill in the pertinent art, as required by *Graham v. John Deere*, 383 U.S. 1, 148 USPQ 459 (1966). Further, both Declarations present evidence that the use of data from randomly-selected historical time intervals, as recited by independent Claims 1, 8, 14 and 25 of the present application, would not be obvious to one skilled in the art of evaluating financial plans. This evidence is clearly germane to the issue of non-obviousness of the claimed invention.

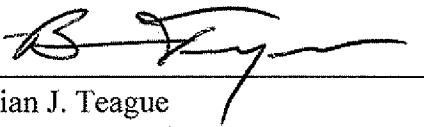
## CONCLUSION

In view of the foregoing remarks, Applicant respectfully submits that all of the claims of the present application are in condition for allowance. It is respectfully requested that a Notice of Allowance be issued in due course. The Examiner is encouraged to contact Applicant's undersigned attorney to resolve any remaining issues in order to expedite examination of the present application.

It is not believed that extensions of time or fees for net addition of claims are required, beyond those that may otherwise be provided for in documents accompanying this paper. However, in the event that additional extensions of time are necessary to allow consideration of this paper, such extensions are hereby petitioned under 37 CFR § 1.136(a), and any fee required therefore (including fees for net addition of claims) is hereby authorized to be charged to Deposit Account No. 50-2127.

Respectfully submitted,

Date: October 7, 2008

  
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## **APPENDIX A**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant(s): David B. Loeper	
Application No.: 09/916,358	Conf. No.: 9160
Filed: 7/27/2001	Art Unit: 3624
Title: METHODS SYSTEM AND COMPUTER PROGRAM FOR AUDITING FINANCIAL PLANS	Examiner: Charles R. Kyle
Attorney Docket No.: FINANCE 3	

Commissioner of Patent  
P.O. Box 1450  
Alexandria, Virginia 22313-1450

Supplemental Declaration Of David B. Loeper

I, David B. Loeper, declare and say:

1. I am Chief Executive Officer for Financeware, Inc., assignee of the present invention, and inventor of the present invention. I submitted the earlier Declaration dated November 16, 2006. I am submitting this Supplemental Declaration in supplemental support of the patentability of the invention claimed in the present application. I have personal knowledge of the information contained in this Supplemental Declaration.

2. I have twenty-four years experience in the financial planning industry. I have worked at various positions in this industry, including as a securities broker and financial planner. I have hired and supervised numerous securities brokers and financial planners. Importantly, I worked for six years training entry-level securities brokers for a major financial advisory, brokerage, and asset management firm.

3. I have studied the present application and claims. The present invention resides in the field of evaluating financial plans. One skilled in the art of evaluating financial plans would typically be a securities broker or a certified financial planner (CFP). A broker or CFP may or may not have a college degree, and if possessed of one, the degree may or may not be in a relevant field. A skilled artisan would typically have no statistical analysis training, and analytical skills are typically not emphasized in the recruitment and training of brokers and CFPs. Rather, sales-oriented skills (e.g., persuasion, overcoming resistance) are preferred. One skilled in the art of evaluating financial plans would not have any knowledge of computer simulation or data modeling.

4. The use of data from randomly-selected historical time intervals, as recited by independent Claims 1, 8, 14 and 25 of the present application, enables an extremely large number of possible plan scenarios to be analyzed, thereby providing a comprehensive statistical analysis of the potential performance of the financial plan. Even for a relatively short financial plan (e.g., twenty years) and an asset class having relatively little historical data (e.g., twenty years), over  $10^{26}$  different possible scenarios may be analyzed. In contrast, the use of data from sequential time intervals as disclosed in Bierwirth would enable far too few different possible scenarios to provide a comprehensive statistical analysis, regardless of the length of the financial plan or the amount of historical data available.

5. The use of data from sequential historical time intervals as disclosed in Bierwirth causes certain historical periods to get over-weighted treatment in the analysis. The over-weighted historical return periods are the ones at the center of the distribution of a set of available historical sequential return data sets. This over-weighting of particular years' data biases the resulting analysis and conflicts with widely accepted practices for obtaining

meaningful statistical analyses. This unequal emphasis of particular years could enable intentional misrepresentation of financial plan results by an unscrupulous advisor. Such an advisor would merely need to restrict their data set to one with results for several years before and after the center of the distribution of data for the given plan time horizon that favors their position disproportionately. In contrast, the use of data from randomly-selected historical time intervals, as recited by independent Claims 1, 8, 14 and 25 of the present application, enables a meaningful statistical analysis that does not conflict with widely accepted statistical analysis practices.

6. The use of data from randomly-selected historical time intervals, as recited by independent Claims 1, 8, 14 and 25 of the present application, is not used in the financial planning industry. Further, the use of data from randomly-selected historical time intervals, as recited by independent Claims 1, 8, 14 and 25 of the present application, would not be obvious to one skilled in the art of evaluating financial plans. Methods of evaluating financial plans known to those skilled in the art at the time of the creation of the present invention used either constant rates of return and inflation or actual historical data.

I further declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

Date: 10-2-2008

  
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David B. Loeper

## **APPENDIX B**

CERTIFIED FINANCIAL PLANNER  
BOARD OF STANDARDS, INC.

## The Education Requirement

### Guide to CFP® Certification

As a first step to CFP® certification, you must master nearly 100 integrated financial planning topics. The topics cover major planning areas such as:

- General principles of financial planning
- Insurance planning and risk management
- Employee benefits planning
- Investment planning
- Income tax planning
- Retirement planning
- Estate planning

Although education is a fundamental part of achieving CFP® certification, fulfillment of the education requirement does not automatically equate to preparedness for the CFP® Certification Examination.

Before determining an examination preparation strategy and applying for the exam, all individuals considering taking the CFP® Certification Examination should review the currency and completeness of their education against the current list of topics. Retaking courses or taking additional courses to improve currency and mastery of specific topic areas are important complements to the educational foundation. Previous experience and exam preparatory factors, such as taking an appropriate review course, are also beneficial. Taking actions to ensure your education is comprehensive and up-to-date may improve your ability to synthesize and evaluate complex concepts at an advanced cognitive level.

Remember, the CFP® Certification Examination does not test textbook theories, but rather it assesses your ability to apply your financial planning knowledge in an integrated approach to deal with "real-life" financial planning situations.

### Bachelor's Degree Requirement

In addition to fulfilling the education requirement, a bachelor's degree, in any discipline, is required in order to attain CFP® certification. The college degree requirement is a condition of initial certification; it is not a requirement to be eligible to take the CFP® Certification Examination and does not have to occur before sitting for the exam or fulfilling the work experience. A bachelor's degree in any major from a regionally-accredited U.S. college or university will be accepted, and evidence (photocopy of degree) will be required at the final stage of initial certification.

Read about important deadlines for those planning to seek CFP® certification before the effective date of the bachelor's degree requirement.

### CFP Board-Registered Programs

You can complete a course of study in financial planning offered by an educational institution with a curriculum registered with CFP Board.

### **Course Titles and Length of Study**

CFP Board has reviewed the upper division undergraduate level or higher educational programs at registered institutions to ensure that they cover the core knowledge needed to practice personal financial planning. Regardless of program type, the curriculum taught must be the equivalent of at least 15 semester credit hours. Each educational institution may present the topics under various course names and titles, such as risk management, financial analysis or estate planning. However, each Registered Program will cover all of the topics needed to meet the education requirement for CFP® certification. Some programs include various specialized courses or a review course to better prepare you for the CFP® Certification Examination. Program Directors at any CFP Board-Registered Program have the authority to waive students out of courses in accordance with their college or university policy.

Contact one of the programs for more information about courses offered, class schedules, tuition and transfer of credit for courses previously taken. In general, the course work in a certificate level program can be completed in 18 to 24 months.

CFP Board does not endorse one program over another. All programs cover the same core curriculum, yet vary in style, length and delivery method. They may be certificate programs, undergraduate programs or graduate programs. Programs can also differ in their delivery methods with some having traditional classroom-based instruction and others offering self-study or online courses. All institutions are accredited by their region's accrediting body.

### **Coursework from Multiple CFP Board-Registered Programs**

If you have successfully completed individual courses at two or more CFP Board-Registered Programs but have not completed, or had credits transferred to, any one entire program, you may qualify to apply for the CFP® Certification Examination under the Multiple CFP Board-Registered Programs status. After applying for the exam you will be required to provide transcripts to verify completion of the education requirement through this approach. Please note that not all CFP Board-Registered Programs have the same number of courses nor do they cover the core topics in the same order or course sequence. Programs may group or combine topics differently, and semester hour equivalencies may vary. To qualify to take the exam through this approach, you must have covered all required topics and have achieved the minimum 15 semester credits or the equivalent in core topics.

### **Important Questions to Ask about CFP Board-Registered Programs**

Because the educational offerings are so varied, consider asking the Program Director the following questions when evaluating a program:

- What educational level is your curriculum (junior/senior baccalaureate, master's or doctorate level)?
- How long does it take to complete your curriculum?
- How much does your program cost? Does that amount include books,

tests and other fees?

- Are you anticipating making changes to your program?
- How do you schedule your courses? How often are courses offered?
- Is your distance education program offered online or is it paper-based?
- What are the credentials of your faculty?
- Does your program have internships or job placement services?
- Does your program have a review course? Does it partner with a review course provider?
- Overall, how will your program prepare me to be a financial planner?

#### **Challenge Status**

CFP Board has approved specific academic degrees and professional credentials as fulfilling the education requirement for CFP® certification. If you have one of the following degrees or credentials, you will automatically be eligible to apply for the CFP® Certification Examination:

- Chartered Financial Consultant (ChFC)
- Chartered Life Underwriter (CLU)
- Chartered Financial Analyst (CFA®)
- Ph.D. in business or economics\*\*
- Doctor of Business Administration\*\*
- Licensed attorney - inactive license acceptable\*
- Licensed Certified Public Accountant (CPA) - must be currently licensed to practice (inactive license with letter of good standing acceptable)\*

\*If you are fulfilling the education requirement on the basis of an inactive CPA license or law license, you will need to provide a letter from the applicable licensing board stating that you are in good standing with that authority.

\*\*Degree must be from an accredited U.S. college or university.

Only the degrees and credentials listed above are approved for challenging the CFP® Certification Examination. In addition, the Certified Employee Benefits Specialists (CEBS) credential plus the addition of two courses will qualify an individual to sit for the CFP® Certification Examination. If your degree or credential is not on this list, you may wish to consult the transcript review process as an alternate route to the CFP® Certification Examination.

#### **Transcript Review**

CFP Board recognizes that you may have covered some of the components in CFP Board's financial planning topic list through previous educational coursework not taken through a CFP Board-Registered Program. CFP Board will consider granting credit towards the educational component required for CFP® certification if:

1. You can demonstrate that you have successfully completed equivalent upper-division level college or university coursework at a regionally-

accredited college or university; and/or

2. You have one of the credentials listed below that CFP Board has pre-approved for partial credit towards the educational component.

Review the detailed topic list and use the checklist on the transcript review application against your college transcript(s) to assess if you have covered any CFP Board topics.

Look for upper-division level courses (junior, senior or graduate level coursework with course numbers of typically 300 or greater) with titles such as Personal Income Tax, Insurance, Investments, Estate Planning, Retirement Planning and Personal Financial Planning.

To satisfy the entire educational component via a transcript review, your financial planning-related coursework must total at least 15 upper-division semester hours or 20 quarter hours. The courses must have been taken at a U.S. regionally-accredited four-year educational institution.

If, after reviewing your transcript, you feel that you have completed all or part of the necessary financial planning topics at an appropriate institution, you may apply to CFP Board for a transcript review.

The following credentials have been deemed to fulfill certain portions of the education requirement for CFP® certification. The first column lists the credential; the second lists the corresponding topics in CFP Board's topic list.

Credential	Topics satisfied on CFP Board's topic list
Associate of the Society of Actuaries (ASA)	10, 11, 34-43
Certified Employee Benefits Specialist (CEBS)*	10-14, 15, 17, 18, 27, 34-41, 48, 60-67
Enrolled Agent (EA)	44-58
Fellow of the Society of Actuaries (FSA)	10, 11, 34-43

Continuing education courses, firm training and/or National Association of Securities Dealers (NASD®) or state licenses do not fulfill any part of CFP Board's initial educational requirements.

\*Individuals who hold the CEBS credential may complete two additional courses (Personal Financial Planning I and Personal Financial Planning II) from the Wharton School and the International Foundation for Employee Benefit Plans (IFEBP) to satisfy CFP Board's education requirement. These individuals will not need to complete a transcript review application or submit a transcript review fee. Instead, they should use the CFP® Certification Examination application form and attach a copy of the CEBS designation and either a transcript or score report showing completion of the Personal Financial Planning I and II courses.

### **CFP Board-Registered Programs**

[Distance Education Programs](#)  
[Registered Programs Listed by State](#)





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## **APPENDIX C**

CERTIFIED FINANCIAL PLANNER  
BOARD OF STANDARDS, INC.

## **The Education Requirement: Bachelor's Degree Requirement**

### **Guide to CFP® Certification**

Beginning in 2007, in addition to fulfilling the education requirement, a bachelor's degree in any discipline will be required in order to attain CFP® certification. The bachelor's degree requirement is a condition of initial certification; it is not a requirement to be eligible to take the CFP® Certification Examination and does not have to occur before sitting for the exam or fulfilling the work experience. A bachelor's degree in any major from a regionally-accredited U.S. college or university will be accepted, and evidence (photocopy of degree) will be required at the final stage of initial certification.

#### **Very important note for individuals not planning to obtain a bachelor's degree:**

Individuals without a bachelor's degree can take the CFP® Certification Examination and may even be certified, but all certification requirements - education, passing the exam, five years of experience and the ethics component - must be met and the CFP® Certification Application must be completed and received by CFP Board by December 31, 2006.

What the bachelor's degree requirement means for specific situations:

- Individuals without a bachelor's degree will need to have passed the CFP® Certification Examination by November 2006, and met the five-year experience requirement and the ethics requirement by December 31, 2006.
- Individuals without a bachelor's degree and no qualifying experience would have needed to have started gaining financial planning experience before 2002 in order to meet the five-year experience requirement. All individuals without a bachelor's degree who have not completed the five-year experience requirement by December 31, 2006, will be required to have a bachelor's degree.
- Individuals without a bachelor's degree and with five years of experience are encouraged to take the exam by July 2006, to avoid the pressure of having only one last chance to pass the exam.
- Individuals without a bachelor's degree, even after 2007, may take the exam, but they must then obtain a bachelor's degree within five years after passing the exam in order to be certified.
- Individuals without a bachelor's degree, who have fulfilled the exam requirement, but who are not certified by December 31, 2006, will have five years from the exam date to complete the other initial certification requirements - three years of experience, ethics component and a bachelor's degree - before their candidacy is terminated and the exam will need to be retaken.
- Individuals without a bachelor's degree who pass the November 2006

exam will have 30 calendar days from the date CFP Board delivers (electronic or hardcopy) the Declaration Packet to return a completed Declaration Packet to CFP Board.

- Individuals without a bachelor's degree who receive a declaration packet after July 1, 2006, will have until December 31, 2006, to return a completed Declaration Packet to CFP Board.
- Individuals without a bachelor's degree who receive a Declaration Packet after December 1, 2006, will have 30 calendar days to return a completed Declaration Packet to CFP Board.
- Individuals without a bachelor's degree, in CFP Board's professional review process, who have completed all requirements before December 31, 2006, except for the ethics requirement, will be certified after December 31, 2006, as long as professional review clears the individual and the individual submits any additional required paperwork within 30 calendar days of the request.

CFP Board can not predetermine whether individuals will meet certain requirements, but will offer counsel to individuals seeking guidance about the education, bachelor's degree or experience requirements.

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